

2350

2015-2016 Regular Sessions

I N S E N A T E

January 22, 2015

Introduced by Sen. SEWARD -- read twice and ordered printed, and when printed to be committed to the Committee on Insurance

AN ACT to amend the insurance law, in relation to business interruption insurance

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 Section 1. The section heading of section 3426 of the insurance law,
2 as amended by chapter 235 of the laws of 1989, is amended to read as
3 follows:
4 Commercial lines insurance; cancellation and renewal provisions; BUSI-
5 NESS INTERRUPTION INSURANCE.
6 S 2. Subsection (a) of section 3426 of the insurance law is amended by
7 adding a new paragraph 12 to read as follows:
8 (12) "BUSINESS INTERRUPTION INSURANCE" SHALL HAVE THE SAME MEANING AS
9 PARAGRAPH (4) OF SUBSECTION (D) OF SECTION 5401 OF THIS CHAPTER.
10 S 3. Section 3426 of the insurance law is amended by adding a new
11 subsection (p) to read as follows:
12 (P) NO INSURER WRITING A POLICY ISSUED OR DELIVERED IN THIS STATE THAT
13 PROVIDES FOR BUSINESS INTERRUPTION INSURANCE SHALL DENY OR EXCLUDE
14 COVERAGE FOR A CLAIM FOR LOSS OR DAMAGE THAT IS CAUSED BY A PERIL
15 INSURED AGAINST BY THE POLICY SOLELY BECAUSE THE INSURED PERIL:
16 (1) RESULTED FROM A PERIL NOT INSURED AGAINST OR EXPRESSLY EXCLUDED
17 UNDER THE POLICY; OR
18 (2) RESULTED FROM AN ACTION INTENDED TO MITIGATE LOSS FROM A PERIL NOT
19 INSURED AGAINST OR EXPRESSLY EXCLUDED UNDER THE POLICY; OR
20 (3) OCCURRED WITHIN A REASONABLE AMOUNT OF TIME EITHER BEFORE OR AFTER
21 A PERIL NOT INSURED AGAINST OR EXPRESSLY EXCLUDED UNDER THE POLICY.
22 S 4. This act shall take effect immediately and shall apply to claims
23 made on or after such effective date.

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets
[] is old law to be omitted.

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